

PN:ABH-922 71506
TECHNICAL ASSISTANCE TO
THE AFRICAN DEVELOPMENT BANK:

DEVELOPMENT OF GUIDELINES FOR PROJECT
PREPARATION AND APPRAISAL
IN WATER SUPPLY AND SANITATION

Field Report No. 333
June 1991



Sponsored by the U.S. Agency for International Development
Operated by CDM and Associates

WASH Field Report No. 333

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IN WATER SUPPLY AND SANITATION**

Prepared for
Regional Economic Development Support Office, West and Central Africa and
Regional Housing and Urban Development Office, West and Central Africa,
U.S. Agency for International Development
under WASH Task No. 184

by

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June 1991

Water and Sanitation for Health Project
Contract No. DPE-5973.7-00-8081-00, Project No. 836-1249
is sponsored by the Office of Health, Bureau for Science and Technology
U.S. Agency for International Development
Washington, DC 20523

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ACRONYMS

ADB/AFD	African Development Bank/African Development Foundation (also referred to as Bank Group)
NARD	Agriculture Department—North
NISI	Northern Country Programmes, Department of Infrastructure and Industry
REDSO/WCA	Regional Economic Development Support Office, West and Central Africa (A.I.D.)
RHUDO/WCA	Regional Housing and Urban Development Office, West and Central Africa (A.I.D.)
SARD	Agriculture Department—South
SISI	Southern Country Programmes, Department of Infrastructure and Industry
USAID	U.S. Agency for International Development
WASH	Water and Sanitation for Health Project

ACKNOWLEDGMENTS

The team wishes to acknowledge and thank Mr. Bechir Hadjadj, former Chief of the Infrastructure and Industry Development Policy Division of the Central Projects Department of the African Development Bank, and Mr. El Sadig Musa, current Chief, for the guidance and support given during the course of drafting policy and developing guidelines for project preparation and evaluation in the water supply and sanitation sector. By providing information and sharing their insights on the Bank Group's experience and objectives in the sector, both have exhibited a high level of commitment to improving the Bank Group's technical capacity and development impact.

WASH also wishes to recognize Mr. Steve Giddings and Ms. Charlene Dey of A.I.D.'s Regional Housing and Urban Development Office (RHUDO) and Mr. Wayne King of A.I.D.'s Regional Economic Development Support Office (REDSO). All three professionals offered the resources and perspectives needed to complete the tasks involved in this three-year effort.

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EXECUTIVE SUMMARY

Technical assistance from the Water and Sanitation for Health Project (WASH) to the Infrastructure and Industry Development Policy Division of the Central Projects Department of the African Development Bank/African Development Fund (Bank Group) began in the spring of 1988. Over the last three years WASH professionals, supported by A.I.D.'s Regional Housing and Urban Development Office in West and Central Africa (RHUDO/WCA), have played a key role in

- Drafting the Bank Group's policy in the water supply and sanitation sector
- Developing guidelines for preparing and appraising projects in the sector
- Instructing selected staff of the Bank Group, principally loan officers and project officers, in the proper application of the guidelines
- Participating in the meetings, conferences, and workshops used to introduce the policy and guidelines to the staff of the Bank Group and the member countries.

The Bank Group operates to provide resources that address the development needs of the Member Countries in the African region. WASH assistance was one means employed by the Bank Group to give the Member Countries a clearer understanding of the ADB/ADF policy in the water supply and sanitation sector; a detailed definition of the components and objectives of well-prepared projects in water supply and sanitation were also developed.

As a result of WASH assistance Bank Group staff are familiar with the policy and guidelines for project preparation and assessment. Analysis of the evaluations of the workshops conducted to introduce the guidelines to Bank Group staff indicate a high degree of satisfaction with the document. It remains for the management of the Bank Group to take steps to ensure that the guidelines become fully operational. In addition, the Bank Group faces the challenge of ensuring that Member Countries begin to prepare and submit projects that meet the criteria set forth in the guidelines.

The Regional Orientation Committee, a newly constituted group composed of representatives of the Member Countries who attended the ADB/ADF conference in May 1990 at which the policy was presented and discussed, has been asked by the Bank Group to play a leading role in disseminating the guidelines among the Member Countries. By this decision, a measure endorsed by WASH, the Bank Group has taken a significant step toward ensuring

that future projects presented for funding by the Member Countries are well-prepared and likely to contribute to improving sector operations and impact.

The Bank Group has taken significant steps that could improve the quality of water supply and sanitation projects developed and submitted by the Member Countries. It is recommended that three years after introducing sector policy and guidelines at the country level, the Bank Group evaluate the number, content, and quality of the projects received.

Chapter 1

INTRODUCTION

1.1 Background

In 1988, a WASH Project team, composed of John B. Tomaro and David Yohalem and financed by USAID's Regional Housing and Urban Development Office in West and Central Africa (RHUDO/WCA), assisted the staff of the Infrastructure and Industry Development Policy Division of the Central Projects Department of the African Development Bank (Bank Group) in preparing a draft of the Bank Group's policy for lending in the water supply and sanitation sector. After submission in July 1988, the draft document was intensively reviewed and discussed by the management of the Bank. On April 24, 1989, the document was approved at "the 257th and 185th meeting of the Boards of Directors of the African Development Bank and the African Development Fund" and became official Bank Group policy.¹

Incorporated in Section 4.3 of the ADB/ADF policy was a statement of the Bank Group's intention to "become involved in the project preparation process at an early stage [and a] recognition that standardized procedures are necessary throughout the project cycle." Recognizing that standard project preparation and evaluation procedures did not exist when the policy was drafted prompted the Bank Group "to prepare guidelines for project preparation and appraisal for projects in the water supply and sanitation sector. These guidelines [were seen as] a useful tool for both the Bank Group and the Member Countries in applying the policy."²

In May 1990 the Bank Group sponsored a conference in Abidjan, attended by representatives of the Member Countries, at which the new sector policy was introduced and discussed. The representatives acknowledged the policy and expressed an interest in having guidelines for project preparation and appraisal. They also urged the Bank Group to establish a Regional Orientation Committee to act as a mechanism for exchanging information between Member Countries and the Bank Group and among Member Countries about activities in the sector. WASH participated in this important conference.

¹ADB/ADF, Water Supply and Sanitation Sector Policy, Abidjan: CEPR/Imprisud, 1990.

²Ibid., p. 49.

1.2 Scopes of Work

After the close of the May 1990 conference and in connection with the Bank Group's effort to develop and introduce guidelines for project preparation and appraisal in the sector, the WASH Project was asked to carry out two separate but related tasks (see Appendix A). Both were developed with technical assistance and financing from RHUDO/WCA as well as A.I.D.'S Regional Economic Development Support Office for West and Central Africa (REDSO/WCA) and the Office of Health, Bureau for Science and Technology.

These tasks are as follows:

- *Task 1—Preparation of guidelines.* In the spring of 1990 a two-person team was invited to work with staff of the Bank, specifically Project Officers from the Departments of Infrastructure and Industry of the Northern and Southern Country Programmes Departments (NISI and SISI), to formulate guidelines for project preparation and appraisal in the water supply and sanitation sector.³
- *Task 2—Facilitation of two workshops.* In March 1991 a two-person team, working with the staff of the Infrastructure and Industry Development Policy Division of the Central Projects Department, designed and facilitated two one-day workshops designed to provide guidance to Bank Group staff, especially Project Officers and Loan Officers, on the proper use of the guidelines in preparing and appraising projects in the sector.

³It should be noted that the plan of activities listed in the Scope of Work was modified following discussions with RHUDO and the Chief of the Central Projects Department of the Bank. The WASH team went directly to the field at the start of the activity, rather than carry a prepared draft of the guidelines. The team felt that this approach would maximize the input of the Bank Group staff and improve the usefulness of the resulting guidelines.

Chapter 2

SUMMARY OF PRINCIPAL ACTIVITIES

2.1 Preparation of the Guidelines

(July 1990 - March 1991)

Guideline preparation was initiated during the visit of a two-person team, composed of John B. Tomaro and Alan Wyatt, to Abidjan in July 1990. While in Abidjan the team worked with Project Officers and staff of the Infrastructure and Industry Development Policy Division of the Central Projects Department to:

- Determine the need for, purpose, scope, content, form, length, and level of detail for the guidelines
- Develop a detailed outline for the guidelines and draft the content of selected sections
- Define an implementation plan for completing a final draft of the guidelines.

The WASH team also reviewed a number of key documents, including the ADB/ADF sector policy, the Bank Group's *Operations Manual*, and specific project documents dealing with preparation, appraisal, and post-evaluation.

They met frequently with a wide range of Bank Group staff, including Project Officers, the Division Chiefs of both Infrastructure and Industry Divisions, and personnel from the Central Projects Department, the Training Department, and the Country Programmes Departments. A draft outline of the guidelines was prepared, along with a draft text of the Introduction. The Introduction addressed the issues of the scope, content, and organization of the guidelines. The draft was distributed to Bank Group staff who provided comments, corrections, and suggestions. The team then obtained concurrence on the draft outline and content for the guidelines and thoroughly reviewed pertinent documents.

Through interactions with Bank Group, the team reached the following conclusions:

- Project Officers and other Bank Group staff fully recognized that projects in the water supply and sanitation sector had significant problems.⁴
- Project identification and preparation efforts had been poorly coordinated between Project Officers and Loan Officers.
- The guidelines would be especially useful for Member Country staff and their consultants working in the sector, as well as for Bank Group staff.
- The guidelines should have two main sections, one on preparation and one on appraisal, each specifying the type of data to collect and the analyses to perform in project preparation and appraisal.⁵
- The staff of the Bank Group would benefit from having access to additional technical materials and studies on methodologies for data collection and analysis in the water supply and sanitation sector.

A draft of the *Guidelines for Project Preparation and Appraisal in the Water Supply and Sanitation Sector* was prepared in English and French and submitted to the Bank Group in late November 1990. A working group reviewed the draft with the WASH consultants in December 1990. The comments and suggestions were incorporated in a January 22, 1991, draft of the guidelines. This document was presented and discussed at the workshops for Loan Officers and Project Officers, held in Abidjan on March 6 and 7, 1991. Following the workshops, the comments from the participants were incorporated into the final guidelines which were submitted on April 1.

⁴It was noted, for example, that the connection rate for several urban sewerage projects was very low, probably in response to the high hook-up costs. It was also observed that Bank Group staff had not been routinely involved in identifying and/or preparing projects in the sector. Finally, it was documented that many projects had not addressed sector priorities, did not conform to Bank Group policies, and were very poorly designed.

⁵Several staff asked that the guidelines include details on methodologies for collecting and analyzing data and for determining that data of sufficient quantity and quality have been collected. After lengthy discussions, it was concluded that the guidelines should focus on preparation and appraisal. Including data collection and analysis methodologies would render the guidelines unwieldy and duplicate materials already in existence.

2.2 Workshop to Introduce the Guidelines

(March 1991)

At the invitation of the Bank Group and with assistance from RHUDO/WCA and REDSO/WCA, a two-person team, composed of John B. Tomaro and Richard Wall, worked with the staff of the Infrastructure and Industry Development Policy Division of the Central Projects Department of the Bank Group to plan and implement two one-day workshops, March 6 and 7, 1991. The objective of both workshops was to improve the ability of Loan Officers and Project Officers, and ultimately Member Country personnel and consultants, to prepare and evaluate projects in the water supply and sanitation sector.

2.2.1 Workshop Goals

The overall goal of the Bank Group in supporting the activities related to preparing and introducing the guidelines was to ensure that projects in the sector would be better prepared and more likely to achieve their objectives. The specific objectives of the workshop were as follows:

- To reach clear agreement with those participating that the guidelines provide a workable frame of reference for preparing and appraising "bankable" projects;
- To establish via the participants—in the form of two examples—that the guidelines would be relevant and useful;
- To verify with participants that the guidelines provide a common vocabulary for talking with Bank colleagues and Member Country personnel and their consultants.
- To determine the steps that participants need to take to begin to apply the guidelines.

2.2.2 Workshops: Dates and Participants

Although the original Scope of Work called for holding a workshop for only the Project Officers and Loan Officers working on water supply and sanitation projects, it was suggested by Mr. El Sadig Musa of the Infrastructure and Industry Development Policy Division of the Central Projects Department that senior staff⁶ be invited to attend a half-day meeting (see Appendix B).

⁶Directors, Deputy Directors, and Division Chiefs of Country Programmes Region-North (NCPR) and Country Programmes Region-South (SCPR), Directors and Deputy Directors of the Agricultural Department-South (SARD), the Agricultural Department-North (NARD), the

During this meeting, held at the ADB/ADF on March 5, 1991, the team presented the goals of the workshop and invited the Directors and Division Chiefs to share their comments on the goals and their expectations of the workshop. The Department Directors and Division Chiefs emphasized the importance of improving project preparation and appraisal and endorsed the guidelines. At the same time, they asked that thought be given to defining the measures that should be taken to introduce the guidelines to the Member Countries who are responsible for presenting projects to the Bank Group.

On March 6, 1991 a workshop was held for Loan Officers and Project Officers from the Northern Region (NISI); fifteen participants attended, including a member of the RHUDO/WCA staff. Mr. O. O. Ogunjobi, Director of the Country Programmes Department of the Northern Region (NCPR), opened the workshop.

Seventeen participants from the Southern Region (SISI) attended the second day, March 7, 1991. They included Financial Analysts, Water Engineers, Sanitary Engineers, and Loan Officers. One participant, a Principal Architect from the Education and Health Division, was interested in attending because failure to take water supply and sanitation issues into account had adversely impacted several projects implemented by his division. He was also interested in determining whether the guidelines for the water supply and sanitation sector could be adopted and modified to prepare and appraise health and education projects. Mr. B. Merghoub, Director of the Country Programmes Department of the Southern Region (SIS), opened the workshop.

2.2.3 Workshop Methodology

The "experiential" model for learning was used in presenting the material (see Appendix C). The design was tailored to accommodate the time available, the size of the participant groups, and the depth of experience of each group. The sequence of activities for both days of the workshop followed the same model.

Both workshops opened with an introduction defining "participatory training."

The initial focus was on gauging participants' experience in preparing and appraising projects in the sector and defining why certain activities had proceeded well or poorly.

The consultants elicited participants' concerns about and impressions of the value of the guidelines. They also encouraged participants to identify those elements or issues in the guidelines that were well understood and easy to address before addressing technical issues,

Infrastructure and Industry Department-North (NISI), and the Infrastructure and Industry Department-South (SISI), as well as the Division Chiefs of the Infrastructure and Industry Divisions responsible for water supply and sanitation projects.

e.g., environment, institutional assessment, or policy items that were new and required more effort to understand and manipulate.

Participants were divided into small groups by language (French or English) and asked to use the guidelines a) to examine their experience in preparing projects, b) to specify how the new guidelines would or would not have altered decisions made in the past and what would have been done differently, and c) to report out to the whole group.

At the closure, the consultants attempted to gauge what the participants had learned by specifying where the guidelines had been helpful and where additional clarifications were needed.

2.2.4 Participant Observations and Recommendations

Throughout both days the WASH team made a concerted and systematic effort to capture observations and recommendations of the working groups. In general, the concerns and recommendations expressed by the workshop participants, as well as the Directors and Division Chiefs, were remarkably similar. The participants expressed very few technical reservations on the appropriateness and usefulness of the guidelines. All observed that the guidelines were useful, necessary and, if properly applied, certain to generate projects that would be better designed and more likely to achieve their objectives. At the same time, the participants questioned whether the Bank Group was prepared to provide the human and financial resources as well as the time required to allow Project Officers and Loan Officers to carry out thoroughly all phases of preparation and appraisal defined in the guidelines.

Both workshop groups, and in some cases the Directors and Division Chiefs, also expressed a desire to see the following occur:

- Receive assurances that the Bank Group was prepared to provide the financing required to allow Member Countries to carry out sector assessments, and to allow the country staff the time and resources needed to prepare projects properly;
- Have access to technical expertise to assess the inter-sectoral impact of water supply and sanitation projects;
- Receive clarification on the implications of applying the guidelines immediately to projects in the three-year lending cycle, and
- See the guidelines introduced to the Member Countries and to know how they will be presented, to what degree, and in what fashion the comments and recommendations of the Member Countries would be incorporated into the final version of the guidelines.

The participants at the second workshop offered some additional recommendations, namely that the Bank Group should—

- Be prepared to provide Member Countries with the financing required to produce sectoral assessments and master plans
- Establish "Working Groups for Project Preparation," composed of Loan Officers, Project Officers and other experts as required for each project in the water supply and sanitation sector
- Empower the Loan Officers and Project Officers to see that the guidelines are properly introduced in the Member Countries
- Begin to develop long-range plans designed to increase the level of in-house technical and managerial expertise

2.2.5 Observations

Participants attending the first workshop were less familiar with the guidelines than those at the second workshop. As a result, the first group was more focused on assessing the usefulness of the guidelines in preparing and appraising projects. The second group seemed to have a greater desire to discuss and determine whether the Bank Group was prepared to alter the working environment sufficiently to allow Project Officers and Loan Officers to apply the guidelines properly.

On reflection it appears that participants at the second day's session were more intimately involved in the development of the guidelines than those attending the first workshop. They were familiar with the guidelines' objectives and content and were ready to address the issues related to making them operational. Participants at the first day's session had more to learn about the content as well as the implications of applying the guidelines.

In some sense, two different types of workshops may have been required. The first would have followed the format that was actually used; the second would have been more focused on identifying and discussing the issues in the bureaucratic environment that constrain or facilitate the implementation of the guidelines.

Chapter 3

CONCLUSIONS AND RECOMMENDATIONS

3.1 Observations on the Preparation of the Guidelines

The WASH consultants involved in drafting the Bank Group's water supply and sanitation policy and preparing the guidelines collaborated closely with the staff of the Infrastructure and Industry Development Policy Division of the Central Projects Department and a group of Project Officers from the Infrastructure and Industry Divisions of both the Northern and Southern Regions. Ample time was left for review and revision for both documents and, in the case of the policy statement, the Bank Group reserved time at the African Development Bank Conference in May 1990 to introduce and discuss the document with representatives of the Member Countries. Bank Group staff who were members of the working group charged with reviewing the guidelines were thorough, critical, and constructive in their comments. Unquestionably, allowing time for review, revision, and understanding of both documents—the policy statement and the guidelines—and involving those charged with understanding the policy and applying the guidelines has measurably improved the accuracy and quality of both products.

Still, it is apparent from the comments received during the workshop that it would have been productive to have involved other Bank Group staff. Perhaps more Loan Officers should have been involved, and thought might have been given to including Project Officers responsible for preparing projects in other sectors.⁷ More interaction with and feedback from Division Chiefs and their superiors might have contributed to making the guidelines an even better product. Closer association with staff at these levels could have engendered a clearer understanding of the value and implications of applying the guidelines.

It is clear from their comments that Department Directors and Division Chiefs endorse the guidelines. It remains to be seen whether they understand the difficulty of changing operational approaches and whether they can help Bank Group staff deal effectively with the trauma of changing operational procedures at the ADB/ADF.

Given the many and varied duties of the Bank Group staff, who must consider projects and issues beyond those in the water supply and sanitation sector (and meet fixed lending targets

⁷It was valuable and informative having Mr. S. Ben-Halima from the Education and Health Division at the workshop. He brought a different and valuable perspective to the proceedings and was able to articulate how the guidelines for preparing water supply and sanitation projects might have applicability for projects in his division.

for both the ADB and ADF),⁸ it is not obvious how and to what extent greater involvement could have been achieved. The Infrastructure and Industry Policy Division of the Central Projects Department is to be complimented for seeing that the WASH team had access to Bank Group staff functioning at different levels. In addition, the Infrastructure and Industry Policy Division seems confident that the guidelines will be accepted by Bank Group management and become part of the standard operating procedure of the ADB/ADF. The Training Division is already prepared to include the guidelines among the courses that comprise the standard orientation curriculum for Bank Group staff. Without question the management of the Bank Group is committed to implementing measures that will improve the overall quality and impact of the projects submitted by the Member Countries.

It remains to be seen whether management will ensure that staff have adequate resources to prepare projects properly. Adjusting downward the lending targets for public utility projects for one or two years might allow staff to see that the guidelines are properly implemented for preparing and appraising projects in the water supply and sanitation sector. At the end of this period the Bank Group should receive better-prepared projects from the Member Countries and be able to expect staff to evaluate a number of projects equivalent to, if not greater than, what had been processed before the new guidelines went into effect. Adjusting the targets in other sectors, as specific guidelines for each are introduced, would allow the Bank Group to continue to reach the total lending targets while improving the overall quality of projects. Adopting this "rolling" approach would enable the Bank Group to meet targets and improve the project preparation and evaluation skills.

3.2 Summary of the Evaluations of the Workshops

The evaluations of the two workshops (Appendix D) indicate a high level of participant satisfaction. Sixty-nine percent of all participants felt the workshop met its goals. The guidelines provided a workable frame of reference according to 69 percent of participants. (Another 19 percent felt that only a "somewhat" workable framework was provided by the

⁸The African Development Bank had 1,516.80 million Units of Account available for lending in 1990. The targets by sector were as follows:

<u>Agri.</u>	<u>Indust.</u>	<u>Pub. Util.</u>	<u>Trans.</u>	<u>Social</u>
30%	25%	20%	17%	8%

The African Development Fund has 834.26 Units of Account available for "soft loans" in 1990. Targets for the ADF were:

<u>Agri.</u>	<u>Indust.</u>	<u>Pub. Util.</u>	<u>Trans.</u>	<u>Social</u>
40%	8%	12%	25%	15%

guidelines.) About three-quarters thought the guidelines provided a common vocabulary for discussing the preparation and appraisal of projects in the water supply and sanitation sector. Sixty-nine percent thought the guidelines would be helpful in preparing projects, and all of the participants concluded that the guidelines were *more useful than other approaches currently employed in project preparation and appraisal*; they "would choose the approach in the guidelines over other approaches."

Several questions were asked about the pace of the workshop and the amount of information dealt with. Eighty-seven percent thought the amount of material covered was "about right." Half of the respondents thought the pace was "right," while the other half felt too much material had been presented too rapidly. Almost all of those attending judged the sessions useful and expressed a desire to attend similar workshops in the future.

In the space on the evaluation form left for "comments," two observations appeared most frequently. First, the participants felt that future workshops should bring together management and technical staff to allow each group to understand better the objectives and constraints of the other. Second, as noted elsewhere, the participants urged the Bank Group to increase the level of human and financial resources to ensure that the guidelines could be implemented properly.

3.3 Recommendations

Drafting the policy, sponsoring the ADB/ADF conference, preparing the guidelines, and facilitating the workshops have been critical activities in a continuum designed to ensure that Member Countries have a clear understanding of the issues that the Bank Group expects to review and assess in water supply and sanitation projects. WASH assistance has been focused on providing guidance in the water supply and sanitation sector. The Bank Group has used the resources provided to enhance the ability of technical staff to apply a consistent and systematic approach to preparing and appraising projects. The processes and approaches that have been developed to define and apply policies and guidelines in one sector can and perhaps should be transferred to other sectors financed by the Bank Group. In large measure, the activities conducted by this team, with the endorsement and collaboration of Bank Group staff, are part of a larger institutional strengthening effort being undertaken by the ADB/ADF.

The recommendations below are based on the WASH team's experience but are formulated in the context of the Bank Group's broader institutional development objective.

3.3.1 Preparing the Guidelines

Along with Project Officers, *future efforts at guideline development should more thoroughly involve Loan Officers, training staff, upper management, and others who will*

be impacted by changing operational procedures. As noted above, the workshop evaluations revealed that additional Bank Group staff should have been invited to participate in the process of preparing the guidelines. If appropriate groups are involved in future efforts at policy definition and guideline development, each will understand clearly the advantages of changing policies and procedures and will participate actively and positively in facilitating the changes.

3.3.2 Introducing the Guidelines to the Staff of the African Development Bank

When considering changing standard operational procedures for staff, the Bank Group should explore a range of approaches to implementing change; training is only one. Other methods, such as facilitation or simulation workshops, should be explored. While the evaluations of the recent workshops suggest a high degree of participant satisfaction, it is not clear that a workshop was the most effective approach, especially for the participants who attended the second workshop (March 7, 1991). Before determining which method should be used, the Bank Group should conduct a thorough needs assessment of the groups to be "trained." This information should be used to define the most suitable approach.

3.3.3 Using the Guidelines in the African Development Bank

The Bank Group should support the recommendation, formulated at the workshop, that working groups for project preparation be established. Establishing these groups would ensure that the project preparation cycle is followed closely and allow individual members access to complementary expertise. In addition, the group would be able to resist the "rush to appraisal" pressure better than any individual while ensuring that the overall quality of projects is improved. As already noted, there is some concern that resources (financial and personnel) and time will not be available to Bank Group staff. The Bank Group should address this situation (or perception) and show its commitment to improving quality by providing the necessary time and resources to carry out proper preparation. If this new practice is instituted, the Bank Group should set a time to evaluate the impact of incorporating the guidelines into standard operating procedures.

3.3.4 Introducing the Guidelines to the Member Countries

The Bank Group has proposed disseminating the guidelines to the Member Countries through the Regional Orientation Committee, a group composed of the Presidents of the working groups formed during the ADB/ADF-sponsored Conference on Water Supply and Sanitation in Africa held in Abidjan in May 1990. This approach should be endorsed and supported. In addition, Bank Group staff should be actively involved in carrying and distributing the guidelines to Member Country staff and consultants while on mission.

These dissemination efforts should be assessed in terms of the extent to which the Member Countries adopt and begin to use the guidelines. Given the concern expressed at the workshops that Member Country staff have only limited ability to adopt and apply the guidelines properly, it may be worthwhile for the Bank Group, with assistance from RHUDO/WCA and REDSO/WCA, to consider holding regional or country-specific workshops at which the guidelines would be introduced and discussed. Naturally, it will be critical to assess the effect of this activity over time, measured by improvements in the quality and number of the projects submitted to the Bank Group.

Appendix A

TERMS OF REFERENCE: AFDB WATER AND SANITATION MANUAL

Background

The water and sanitation sector is recognized as one which has tremendous impact upon health and productivity in the developing world. Access to clean water is a basic need, and is an indisputable precondition for maintaining acceptable living conditions. The water and sanitation sector is also one which receives a significant amount of loans from the African Development Bank (AFDB). Given the importance of the sector, the AFDB judged it crucial to develop a Water and Sanitation policy which would ensure that its interventions in this realm would have maximal positive impact upon target populations.

In 1988, experts from the AID S&T/H WASH project, working in collaboration with RHUDO/WCA, assisted the AFDB in developing a Water and Sanitation Policy. This policy underlined the importance of the major role played by Water and Sanitation in the development of Africa. During the period of its formulation, the policy was intensively discussed and debated by the AFDB staff. It was subsequently reviewed and adopted by the Board of Directors in 1989. The next step in the policy formulation and application process is to ensure that the staff of the AFDB will be able to implement the policy efficiently and to attain its goals.

Article I -- Title

The Development of a Manual for the Preparation and Evaluation of Water and Sanitation Projects

Article II -- Purpose and Objectives

The purpose of this consultancy is to ensure that the recently adopted Water and Sanitation policy of the AFDB will be properly applied by the Bank's staff.

The objectives of this consultancy are therefore:

1. To prepare a manual which will be utilized by the AFDB staff in the preparation and evaluation of Water and Sanitation Projects.
2. To train the concerned AFDB staff in the effective utilization of the Water and Sanitation Manual.

Article III -- Statement of Work

To achieve the above objectives the Consultant shall undertake the following tasks:

Task A. Development of A Water and Sanitation Project Preparation Manual

Part I Formulation of Project Preparation Guidelines:

The Consultant shall develop a Water and Sanitation Project Preparation Manual consisting of two parts. The first part of the Manual shall contain project preparation guidelines to be utilized by the AFDB Project development staff and by member countries in the preparation of Water and Sanitation Projects. The purpose of the guidelines shall be to specify those issues which must be duly examined during the course of developing Water and Sanitation Projects (i.e. social, institutional, financial, technical and environmental). The guidelines should also define any information needed for inclusion in project proposals (including the rationale for its inclusion) and should describe any associated project documents to be prepared.

The guidelines should also indicate key stages in the project preparation process as well as the relative importance and preferred sequencing of these stages in Water and Sanitation project preparation.

AFDB Consultations: In the course of developing these guidelines, the Consultant is expected to work in close collaboration with selected AFDB Staff. The collaboration shall take the following form:

1. Document Examination: The Consultant shall examine the official AFDB Water and Sanitation Policy and other relevant documents such as the Bank's Operations Manual. The consultant should also become acquainted with the series of documents produced by the AFDB during its project cycle including: project identification documents, project preparation documents, project monitoring and post-evaluation documents.

2. Expert Consultation: The Consultant should also meet with experts and project managers within the AFDB who are primarily responsible for the preparation and review of projects in the area of Water and Sanitation. He/she shall seek to understand the AFDB's current project development procedures with the goal of verifying that the project development guidelines being proposed are congruent with existing Bank procedures and policies.

Congruence with Logical Framework: Finally, care shall be taken to ascertain that the methods and procedures being proposed for Water and Sanitation Project development do not inhibit or conflict with the utilization of the Logical Framework Methodology which is now being adopted by the AFDB.

Part II Development of Project Evaluation Criteria.

Following the completion of the section of the Water and Sanitation Project Preparation Manual devoted to project preparation guidelines, the consultant shall prepare a second section containing directives for the evaluation of water and sanitation projects submitted by member countries to the AFDB for funding. This section shall contain clearly laid out criteria for effectively assessing these projects in order to ensure that those retained for Bank financing will be among the most viable. Input obtained from concerned AFDB staff during the initial period of consultation and discussion for the project preparation portion of the manual will, of course, be reflected in the evaluation criteria.

Again, care shall be taken to ensure that the proposed evaluation criteria are compatible with the Logical Framework methodology for project development.

Task B.. AFDB Staff Training in Manual Utilization

1. AFDB Seminar Organization: To ensure the effective utilization of the Project Preparation and Evaluation Manual, the Consultant shall organize a seminar on Manual Utilization. The aim of this seminar shall be to discuss the Draft version of the manual with the AFDB staff and to train them in the proper utilization of these materials.

The Consultant is expected to be responsible for all phases of the planning and implementation of the seminar including:

- a. developing a program format and preparing all necessary materials and documents;
- b. seeing to logistical arrangements in collaboration with concerned AFDB staff;
- c. undertaking the actual training event
- d. carrying out any post-seminar activities (i.e. preparation of a written summary of the proceedings).

Article IV -- Reports

Within six weeks of the termination of the initial period of consultations with AFDB staff and examination of relevant Bank documents, the Consultant shall prepare a Draft Manual for the Preparation and Evaluation of Water and Sanitation Projects. The Draft Manual shall be submitted to the AFDB and RHUDO/WCA for study and comment.

The Draft Manual shall be in both English and French. Ten copies in each language (for a total of twenty copies) shall be submitted. Two copies each of the English and the French version shall be delivered to RHUDO/WCA and the remaining sixteen copies shall be delivered to the AFDB.

Within four weeks of the receipt of the comments of the AFDB and RHUDO/WCA, the Consultant shall revise the above draft and prepare a Revised Version of the Manual.

This Revised Version of the Manual shall be the base document for the training seminar.

The number of copies required, the language of the copies and the distribution shall be the same as for the Draft Manual.

Within four weeks of the completion of the seminar, the Consultants shall submit a corrected Final Version of the Manual to the AFDB and RHUDO/WCA.

Twenty copies of the Final Version in both English and French (for a total of forty copies) are required. Four copies in each language shall be delivered to RHUDO/WCA. The remaining thirty-two copies shall be delivered to the AFDB.

Article V -- Relationships and Responsibilities

The Consultant shall work under the general supervision of the AFDB which shall be primarily responsible for providing guidance on policy issues. Additional technical supervision and guidance will be provided by RHUDO/WCA.

Article VI -- Terms of Performance

This consultancy is scheduled to begin on/or about March 1st 1990. The consultancy is expected to last approximately twenty-two weeks and will be composed of 77 work days.

Field Work is expected to account for 26 work days (combined total for all team members). The remaining 51 work days will be utilized in the U.S.A..

Work is expected to take place according to the following schedule:

1. A two man consulting team (composed of two water and sanitation experts) will spend a total of 10 work days in the U.S. (5 each) preparing the initial guidelines which will be the basis of consultations during the first field trip. The team should obtain and examine in advance documents concerning the procedures used by the AFDB staff to prepare and assess projects.
2. The same consulting team will spend 16 work days (8 days each) in Abidjan consulting with AFDB staff, examining relevant documents and obtaining feedback on the directives.
3. During the next six week period, the consulting team will use 16 work days (8 days each) in the U.S. preparing the Draft Manual and having it translated.
4. During the next three weeks, RHUDO/WCA and the AFDB shall study and make comments on the Draft Manual. These comments shall be transmitted to the consulting team.
5. During the next four weeks, the consulting team (composed of the two water and sanitation experts and one trainer) will spend a total of 20 work days in the U.S. (10 for the senior WASH expert, 5 for the junior WASH expert and 5 for the trainer) developing the Revised Manual and preparing for the seminar.

6. During the following week 10 work days (5 days each) the consulting team, composed of the senior WASH expert and the trainer, will carry out the seminar at the AFDB in Abidjan.

7. During the last four weeks of the consultancy, the senior WASH consultant will spend 5 work days in the U.S. finalizing the Manual.

Submission of the Draft Manual for the Preparation and Evaluation of Water and Sanitation Projects should take place no later than May 15th, 1990.

Submission of the Final Version of the Manual for the Preparation and Evaluation of Water and Sanitation Projects should occur no later than August 30th, 1990.

Article VII -- Level of Effort

The AFDB and RHUDO/WCA estimate that this work will require the services of the following personnel:

- A. Senior Water and Sanitation expert. (41 work days distributed as follows: 13 in the field and 28 in the U.S.) .

This individual will function as the team leader and will be primarily responsible for the design, management and completion of the required work. The person selected should have extensive experience in the field of water and sanitation with specialization in water and sanitation project design and evaluation and familiarity with the Logical Framework project development methodology. This individual should also have a strong background in either the technical/engineering aspects or the socio-economic aspects of water and sanitation project analysis. Experience in sub-Saharan Africa is required. This individual must have French and English oral/reading comprehension equivalent to a FSI 3/3 rating.

- B. Water and Sanitation Expert. (26 work days distributed as follows: 8 in the field and 18 in the U.S.)

This individual should also have significant experience in the field of water and sanitation project development and evaluation, and should have areas of specialization that are complementary to those of the senior member (i.e. socio/economic vs. technical). Experience in sub-Saharan Africa is required as is a French and English oral/reading comprehension equivalent to a FSI 3/3 rating.

C. A Senior Trainer. (10 days distributed as follows:
5 days in the field and 5 in the U.S.).

This individual will be undertaking the training aspects of the consultancy including: the design and content of the manual and the carrying out the seminar. The person selected should be an experienced trainer with a background in the development of training materials and in the delivery of training.

Familiarity with water and sanitation issues and projects is also required. Experience in sub-saharan Africa is highly desirable. This individual must have French and English oral/reading comprehension equivalent to a FSI 3+/3+ or higher rating.

Appendix B

**LIST OF PARTICIPANTS: SEMINAR ON THE APPLICATION OF
GUIDELINES FOR THE PREPARATION AND APPRAISAL OF
WATER SUPPLY AND SANITATION PROJECTS**

Abidjan, 5 February, 1991

LIST OF PARTICIPANTS - GROUP I

(Directors, Deputy-Directors and Division Chiefs of
NCPR & SCPR,
Directors, Deputy-Directors of
SARD, NARD, NISI, SISI and
Division Chiefs responsible for Water Supply & Sanitation Projects
(NISI.2, SISI.2)

<u>NAME</u>	<u>TITLE</u>	<u>DEPARTMENT</u>
Messrs. G.R. AITHNARD	DIRECTOR	TRNG
H.N. M'NAIROBI	DEPUTY-DIRECTOR	NCPR
K. KABA	DEPUTY-DIRECTOR,	SCPR
M. DOUMBIA	DIVISION CHIEF, a.i.	SISI
A. MTEGHA	DIVISION CHIEF	SCPR
A. JARIK	DIVISION CHIEF	SCPR
F. OUALI	DIVISION CHIEF	NCPR
M.B. BOUABDALLI	DIVISION CHIEF	SCPR
Miss C. ATAYI	DIVISION CHIEF	SCPR
Messrs. E.M. MUSA	DIVISION CHIEF	CEPR
M. LEKE	TRANSPORT ECONOMIST	CEPR

Abidjan, 6 February, 1991 - Northern Region

LIST OF PARTICIPANTS - GROUP II

(Loans Officers & Projects Officers)

<u>NAME</u>	<u>TITLE</u>	<u>DEPARTMENT</u>
Messrs. E.M. MUSA	DIVISION CHIEF	CEPR
N. BOUZAHER	DIVISION CHIEF	NISI
K. AKOU	FINANCIAL ANALYST	NISI
B.A. DANKASSOUA	LOANS OFFICER	NCPR
D.Y. CHOKKI	ECONOMIST	NISI
IBRAHIM	FINANCIAL ANALYST	NISI
H. BEN BARKA	ENGINEER, WATER SUPPLY & SANIT.	NISI
N. ORBE	LOANS OFFICER	NCPR
S. DIAKITE	ENGINEER, WATER SUPPLY & SANIT.	SISI
T. GUEZODJE	LOANS OFFICER	NCPR
A. CHERIF	LOANS OFFICER	NCPR
E. DONTONI	LOANS OFFICER	NCPR
M. SOUSSI	LOANS OFFICER	NCPR
M. LEKE	TRANSPORT ECONOMIST	CEPR
JULIE BURLAND	-	USAID

Abidjan, 7 February, 1991 - Southern Region

LIST OF PARTICIPANTS -- GROUP III

Loans Officers and Projects Officers

<u>NAME</u>	<u>TITLE</u>	<u>DEPARTMENT</u>
Messrs. VALENTIN ZONGO	FINANCIAL ANALYST	SISI
HABTE SELASSIE W.T.	ENGINEER, WATER SUPPLY & SANIT.	SISI
ZONDO SAKALA	LOANS OFFICER	SCPR
SCOTT MOAHLOLI	LOANS OFFICER	SCPR
G. NAMAKANDO	LOANS OFFICER	SCPR
G. FOUNGER	FINANCIAL ANALYST	SISI
K. KHOTLE	SANITARY ENGINEER	SISI
A. MHAMBA	LOANS OFFICER	NCPR
R.N. KAILEMBO	LOANS OFFICER	SCPR
H. KAMOUN	FINANCIAL ANALYST	NISI
A. CHARAF-EDDINE	LOANS OFFICER	SCPR
S. BEN-HALIMA	PRINCIPAL ARCHITECT	SARD
A. KALINGANIRE	LOANS OFFICER	SCPR
P.E. NJUGUNA	SANITARY ENGINEER	SISI
E. KABUTIITI	LOANS OFFICER	SCPR
MATHYS, ALAIN	SANITARY ENGINEER	NISI
ACHY, PIERRE-MARIE	ENGINEER, HYDRAULIC SANIT. (CONSULTANT)	SISI

Appendix C

GOALS AND OBJECTIVES OF WORKSHOP SESSIONS

Session 1

Introduction to the Workshop

Objectives:

By the end of the session, the participants will:

- be acquainted with one another and with the trainers
- be able to describe the workshop goals and objectives
- have discussed and clarified their expectations for the workshop

Session 2

Participatory Training

Objectives:

By the end of the session, the participants will be able to:

- recognize the difference between passive and active participation
- define the product at the end of the workshop in their own words

Session 3

Introduction to the Guidelines

Objectives:

By the end of the session the participants will be able to:

- describe how they prepared and appraised projects in the past
- identify which activities resulted in good projects and which resulted in bad projects
- describe their concerns and reactions to the guidelines

Session 4
Introduction to the Guidelines Part II

Objective:

By the end of the session the participants will be able to:

- identify how the guidelines respond to their concerns

Session 5
Using the Guidelines

Objectives:

By the end of the session the participants will be able to:

- enumerate the factors that indicate a project is properly prepared
- describe how the guidelines will change the way they work in the future
- describe how their interactions with the country personnel will change as a result of the guidelines

Session 6
Using the Guidelines Part II

Objectives:

See Session 5

Session 7
Lessons Learned

Objectives:

By the end of the session the participants will be able to:

- describe where the guidelines are helpful
- describe where the guidelines need clarification

- describe how they will explain the guidelines to their colleagues
- identify to whom they will turn when they need help

Session 8
Workshop Evaluation and Closure

Objectives:

By the end of the session the participants will be able to:

- identify their key learnings
- verbally share their impressions of the workshop and appreciation for the contributions of the participants, resource people, organizers, and facilitators
- identify the important next steps
- complete a written evaluation of the workshop

Appendix D

EVALUATION FORM: WORKSHOPS OF MARCH 7-8, 1991

Part 1: GOAL ATTAINMENT:

A. Please evaluate to what degree the workshop met its objectives:

Not at all	0	For the most part	13 [50%]
Very little	0	Completely	5 [19%]
Somewhat	8 [30%]		

B. The workshop has provided a workable frame of reference for preparing and appraising bankable projects.

Not at all	0	For the most part	13 [50%]
Very little	0	Completely	5 [19%]
Somewhat	5 [19%]		

C. Provided a common vocabulary for talking to those who prepare projects inside and outside the bank.

Not at all	0	For the most part	10 [38%]
Very little	1 [3%]	Completely	10 [38%]
Somewhat	5 [19%]		

D. Provided an understanding of the advantages of applying the guidelines to bank projects.

Not at all	0	For the most part	14 [52%]
Very little	1 [3%]	Completely	7 [25%]
Somewhat	5 [19%]		

E. Provided the ability to apply the guidelines to our own work.

Not at all	2 [7%]	For the most part	11 [40%]
Very little	2 [7%]	Completely	4 [14%]
Somewhat	8 [30%]		

Part II: **THE GUIDELINES:**

A. Please evaluate to what degree the Guidelines will help you in preparing your work?

Very much	18 [69%]
Somewhat	8 [30%]
Not at all	0

B. Is the approach used in the guidelines useful?

Very much	21 [80%]
Somewhat	5 [19%]
Not at all	0

C. Based on what you know, would you choose the approach in the guidelines over other approaches?

Always	2 [7%]
Frequently	24 [92%]
Infrequently	0
Never	0

Comments:

Day 1--I don't know many approaches

D. Are there technical issues you found that were not addressed in the manual?

Yes	5 [19%]
No	5 [19%]
Maybe	16 [61%]

Comments:

Day 1-- I am a new loan officer; women in development as well as the beneficiaries; workshop went to fast and did not stick to the text.

Day 2-- sector policies should be broken down into objectives and "sub-objectives" so that they can be compared to the data. Otherwise, corrective action will be necessary; probably, but it's not a question of a technical manual, but an operations manual; it is not; time constraint couldn't (sic) allow; workshop was too fast and did not stick to the text.

Part III: THE WORKSHOP

Please share your thoughts on the workshop by circling the appropriate response:

A. How do you rate the overall program?

Excellent	4 [15%]	Fair	1 [3%]
Very good	11 [42%]	Poor	0
Good	10 [38%]		

Comments:

Day 1 -- in view of the number of things I have to do, I did not have the time to prepare for the seminar and identify the best approach; [excellent] both pedagogically and organizationally.

Day 2 -- rather little time allocated, but then if it is not going to be implemented in the foreseeable future, it is adequate; clear presentation, good communication technique.

B. To what extent will it help you do a better job for the bank?

To a large extent	14 [51%]
To some extent	10 [37%]
Very little	3 [11%]

Comments:

Day 1 -- on condition that this working tool be accompanied by the necessary human and financial resources as well as appropriate practices such as the lengthening the time for project preparation and increasing the money to do it (PPF); if the document is approved by the bank and is applied immediately on approval; extend to other sectors.

Day 2 -- agreement on terms used; yes, in as far as direction follows it; I don't have the impression I do bad work; given a conducive environment.

C. What were the major benefits you received?

New ideas and approaches	8 [25%]
Better understanding of the problem	17 [53%]
A chance to sit back and look at the issues	7 [21%]

Others: Day 1 -- experience of other colleagues

Day 2 -- human and logistical constraints; yes, there is general consensus that projects need to be improved.

D. Was there "too much" material covered today?

Too much	1 [3%]
About right	21 [87%]
Too little	2 [7%]

Comments:

Day 1 -- for a working seminar, it was justified

Day 2 -- for time available, that is; other issues took most of time

E. Did the day go "too fast?"

Yes	4 [15%]
Somewhat	8 [25%]
No	13 [50%]
No opinion	1 [3%]

F. Did the day go "too slow?"

Yes	0
Somewhat	3 [13%]
No	19 [82%]
No opinion	1 [3%]

G. How do you rate the conference leaders?

Excellent	5 [19%]
Very good	17 [62%]
Good	4 [15%]
Fair	1 [3%]

Comments:

Day 1 -- they did excellent work

Day 2 -- to stick to theme of seminar

H. How would you rate the location?

Excellent	1 [3%]
Very good	8 [30%]
Good	6 [37%]
Fair	1 [3%]

I. What would have improved the program?

Comments:

Day 1 -- organized at the level of the member countries

Day 2 -- would like the banks upper management to listen to problems and understand them; one more morning so that everyone would have a chance to propose solutions to improve chances of adapting the Guidelines by the bank.

J. Would you like to attend future programs of a similar nature?

Yes	23 [92%]
No	0
Not sure	2 [3%]

Comments:

Day 2 -- if program starts to produce results, otherwise, no; several, if possible; for projects in other sectors.

K. Other comments and suggestions for future programs:

Day 1 -- more diagrams; first explain the existing situation to show to what the new approach is a response; look at the applicability and from that perspective, start the program with the authorities and discuss the question; use actual case studies (loans already made) (3x); present the program before asking for comments; lengthen the time; is the bank interested in a project to diffuse the program?

Day 2 -- stick to the topic; to be taken to mentor states; none